

FEDERAL ENERGY REGULATORY COMMISSION
OFFICE OF MARKETS, TARIFFS AND RATES
WASHINGTON, DC 20426

May 21, 2002

Platts Electricity Products
1200 G St., N.W.
Suite 1100
Washington, D.C. 20005

Attn: Brian Jordan
Editorial Director

Re: Fact-Finding Investigation of Potential Manipulation of Electric
and Natural Gas Prices (FERC Docket No. PA02-2-000)

Dear Mr. Jordan:

On April 26, 2002, you provided a series of responses to a letter I sent you on April 11, 2002. The questions were in regard to Platt's methodology for determining the forward electricity prices that it publishes.

Please provide the following information:

1. Using the methodology you supplied in your response, for each day that forward prices were posted from November 18, 2001 to December 27, 2002, provide all data inputs (including the number of traders contacted; volumes of trades; and the number of transactions) and a narrative explanation of each step used to convert those inputs into the posted prices. To the extent the data do not directly convert into the posted prices, describe the specific procedure or judgement used to reconcile these data with the posted prices.
2. On February 4, 2002, in response to the January 29, 2002 Robert McCullough testimony before the United States Senate Energy and Natural Resources Committee, Platt's issued an article in *Power Markets Week* refuting some of Mr. McCullough's statements. Since that time, do you have any further information or analysis to supplement your original assessment?
3. We note that Bloomberg uses bid and offer data rather than trade data for posting forward prices. Explain why you use trade data, as opposed to bid/offer data.

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4. Platts has recently published a series of articles, beginning with the April 22, 2002 *Power Markets Week*, regarding "wash trading" among electricity and natural gas companies.
 - a. Is Platts continuing to investigate wash trading activities? If so, describe the steps in that investigation, e.g., companies or traders that have been contacted; any responses from those entities.
5. To what extent did Platts use prices posted on Enron Online in developing the prices it posted?

Please provide your written response no later than May 31, 2002. A copy of this information request will be placed on the Commission's web page for Docket No. PA02-2-000 (<http://www.ferc.gov/electric/bulkpower/pa02-2/pa02-2.htm>). As explained in the notice issued on February 26, 2002 in this proceeding, you may request confidential treatment of any of your responses to this information request in accordance with the Commission's regulations (*see* 18 C.F.R. § 388.112 (2001)). If you need any assistance with respect to this information request, please contact David Hunger of the Commission Staff at 202/208-0148.

Very truly yours,

Donald J. Gelinas
Associate Director
Office of Markets, Tariffs and Rates